From: Greg Fife

To: <u>Jeffry.DAlessandro@uscg.mil</u>

Subject: A fund question

Date: 10/10/2012 12:44 PM

Hey Jeff, I've got a question about the use of the fund. Its a site that is becoming more and more dire and with that, we, EPA, are getting pulled in. The site is Bayou Corne, in Assumption Parish, LA. There is a huge salt dome formation under that area and several caverns have been mined into it. Some are used for LPG, butane, and other storage. And some are just salt mines. Beginning sometime in May, there were bubbles seen in the area, natural gas bubbles. The original theory was the source was from a pipeline that was connected to one of the storage caverns. That theory gave way when a sinkhole opened up in August. It appears that one cavern may be the culprit. Some investigation has been done to support that.

The sinkhole is full of water, and crude oil is accumulating. The State just got the results of identification samples and it shows unadulterated crude oil, and it matches what has been found in the cavern. There are a lot of safety concerns about cleaning up oil in a sinkhole, especially when the walls keep sloughing off. They have already lost a boat that was tie to a tree that fell into the hole. Estimates are 2000 BBLs or more. There is some planning by the brine company about long term production of the crude but its the immediate response to it is the situation. There is navigable waters adjacent. While the crude has been boomed off, a boat that jumped the boom released the crude to the water.

Is the Fund appropriate source for funding for the support of the response?

Thanks Greg Fife 214-789-2879